

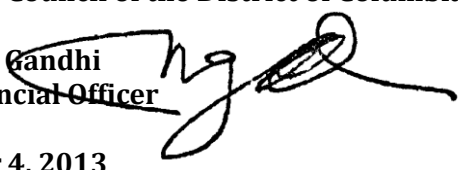
Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: November 4, 2013

SUBJECT: Fiscal Impact Statement – “Cost of Living Adjustment Personal Income Tax Standard Deduction and Exemption Technical Clarification Emergency Act of 2013”

REFERENCE: Draft Bill shared with the Office of Revenue Analysis on October 30, 2013

Conclusion

Funds are sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the bill.

Background

The bill provides a technical correction to the Fiscal Year 2014 Budget Support Act¹ to ensure that the Cost of Living Adjustments (COLA) to personal income tax standard deduction and exemption is indexed to 2011. The Fiscal Year 2014 Budget Support Act mistakenly refers to 2007 as the base year for the calculation of personal income tax standard deduction and exemption.²

Financial Plan Impact

Funds are sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the bill. The bill is a technical correction, and its enactment will not have a fiscal impact. The current revenue estimates already use 2011 as the base year for the calculation of personal income standard deduction and exemption.

¹ Enacted on August 28, 2013 (D.C. Act 20-157; 60 DCR 12472).

² The Fiscal Year 2014 budget support act mistakenly amended § 47-1801.04(11) of the D.C. Official Code to state that the base year for cost of living adjustments related to the personal income tax standard deduction and exemption is 2007.